

Supreme Court, U. S.
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In the Supreme Court of the United States

OCTOBER TERM, 19____

No. 77-155

JOHN D. BALLARD d/b/a
BALLARD'S DAIRY QUEEN,
Petitioner,

VERSUS

BURGER TRAIN SYSTEMS, INC.,
Respondent.

**PETITION FOR WRIT OF CERTIORARI TO THE
UNITED STATES COURT OF APPEALS
FOR THE TENTH CIRCUIT**

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July, 1977

UTTERBACK TYPESETTING CO., 519 W. CALIF., OKLAHOMA CITY, PH. 235-0030

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**JOHN D. BALLARD d/b/a
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V E R S U S

**BURGER TRAIN SYSTEMS, INC.,
Respondent.**

**PETITION FOR WRIT OF CERTIORARI TO THE
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FOR THE TENTH CIRCUIT**

John Ballard d/b/a Ballard's Dairy Queen, prays that a Writ of Certiorari issue to review the Judgment of the United States Court of Appeals for the Tenth Circuit entered in the above entitled case on April 6, 1977, a copy of said Judgment being appended hereto as Appendix A.

CITATIONS TO OPINIONS BELOW

The Opinion of the United States Court of Appeals for the Tenth Circuit has not been published at this date and a copy is attached as Appendix A. The Judgment of the District Court is attached hereto as Appendix D with an Order amending the Judgment attached as Appendix E.

JURISDICTION

The date of the Judgment of the Court of Appeals was April 6, 1977. A Petition for Rehearing (Appendix B) was denied by Order dated April 28, 1977 (Appendix C).

Jurisdiction is conferred upon this Court to review the Judgment of the Court of Appeals by Writ of Certiorari by the United States Code, Title 28 § 1254(1).

QUESTION PRESENTED

When, during the prosecution of an application for patent, a broad claim and a number of specific dependent claims are combined to obtain allowance over a rejection on prior art, is the patentee entitled to ignore specific structural limitations in the combined claim by application of the doctrine of equivalents?

CONSTITUTIONAL PROVISION INVOLVED

The Congress shall have power—To promote the Progress of Science and Useful Arts by securing for Limited Times to Authors and Inventors the Exclusive Right to their Writings and Discoveries, United States Constitution, Article I, Section 8, Clause 8.

STATEMENT OF THE CASE

This action was commenced by Respondent Burger Train Systems, Inc. against Petitioner John D. Ballard d/b/a Ballard's Dairy Queen seeking an injunction and an accounting for infringement of two patents owned by Respondent. The first patent, No. 211,010, is a design patent

covering a drive-in restaurant. The second patent, No. 3,363,723, is the underpinning of this appeal. U. S. Patent No. 3,363,723 is a mechanical patent for a food serving system.

The patent in question, No. 3,363,723, was held valid and infringed by the District Court in a jury trial held June 23, 24, 1975. This ruling was affirmed by the Court of Appeals for the Tenth Circuit in a *per curiam* Opinion (Appendix A).

In its Opinion, the Court of Appeals failed to respond to Petitioner's arguments with respect to the question presented herein and its Opinion is contrary to the previous law of the Tenth Circuit and this Court.

Petitioner filed a Petition for Rehearing with the Court of Appeals on April 20, 1977 (Appendix B). The Petition for Rehearing was denied April 28, 1977 (Appendix C).

REASONS FOR GRANTING THE WRIT

The District Court and the Court of Appeals erroneously disregarded established case law in its conclusion that application of the doctrine of file wrapper estoppel does not consequently preclude the application of the doctrine of equivalents to the structure of an accused infringer. This Court has previously described the operation of the exclusion of equivalents in cases where the patentee sacrificed the scope of equivalents via cancellation of originally filed claims as a "rule" of patent law. *The Schriber-Schroth Co. v. The Cleveland Trust Co.*, 311 U.S. 211 (1940).

The Court of Appeals for the Tenth Circuit recognized this rule of patent law at page 13 of the Opinion (Appendix A). However, the Court of Appeals misconstrued the effect of the consolidation of claim language. The consolidation did not merely "rule out patenting the individual means" recited in the original claims 1-4. The important effect was that the broad language of original claim 1 was sacrificed and the amended claim 1 contained all the limitations previously set forth in dependent claims 2-4. The effect was a much narrower independent claim which recited specific structural limitations which are not met by the Petitioner's structure unless a broad range of equivalents is erroneously conceded.

The Court of Appeal's position that the individual elements were not eliminated directly or impliedly by the consolidation is correct, but the Court of Appeal's conclusion that file wrapper estoppel does not necessarily follow therefrom is in direct conflict with prior decisions of this Court and contrary to the prior decisions of the Court of Appeals.

For example, the decision of the Court of Appeals in this case is in direct conflict with the opinion of this Court in *The Schriber-Schroth Co. v. The Cleveland Trust Co.*, *supra*; *Shepard v. Corrigan*, 116 U.S. 593 (1886); *Sutter v. Robinson*, 119 U.S. 530 (1887); *Roemer v. Peddie*, 132 U.S. 313 (1889); *Phoenix Caster Co. v. Spiegel*, 133 U.S. 360 (1890). Further, the decision of the Court of Appeals is contrary to the prior decisions of that court, *McCullough Tool Co. v. Well Surveys, Inc.*, 343 F.2d 381 (10th Cir. 1965), cert. den. 383 U.S. 933; *Eimco Corp. v. Peterson Filters &*

Engineering Co., 406 F.2d 431 (10th Cir. 1968); *Sears, Roebuck & Co. v. Jones*, 308 F.2d 705 (10th Cir. 1962).

This Court should rule on this important issue and reverse the Court of Appeals for the Tenth Circuit.

CONCLUSION

For the foregoing reasons, the Petition for Writ of Certiorari should be granted.

Respectfully submitted,

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July, 1977

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE TENTH CIRCUIT was mailed, first class, postage prepaid to Robert B. Smith, Bloodworth, Smith & Biscone, 420 Hightower Building, Oklahoma City, Oklahoma 73102, on this _____ day of _____, 1977.

Jerry J. Dunlap

APPENDICES

APPENDIX A

FILED
APR 6 1977

HOWARD K. PHILLIPS
CLERK, UNITED STATES
COURT OF APPEALS
TENTH CIRCUIT

UNITED STATES COURT OF APPEALS
TENTH CIRCUIT

Nos. 75-1690 and 75-1691

BURGER TRAIN SYSTEMS, INC.,)
)
Plaintiff-Appellant,) Appeal from the United
Cross-Appellee,) States District Court
v.) for the Western
) District of Oklahoma
JOHN BALLARD, d/b/a))
BALLARD'S DAIRY QUEEN,))
)
Defendant-Appellee,)
Cross-Appellant.)

Robert B. Smith of Bloodworth, Smith & Biscone, 420 High-tower Building, Oklahoma City, Oklahoma, for Plaintiff-Appellant.

Jerry J. Dunlap of Dunlap, Codding & McCarthy, 510 Fidelity Plaza, Oklahoma City, Oklahoma, for Defendant-Appellee.

Before HOLLOWAY, McWILLIAMS and DOYLE, Circuit Judges.

PER CURIAM

In this patent case the plaintiff-appellant seeks a partial reversal of the judgment of the district court. Specifically it seeks reinstatement of a jury award on one of two claims which it had made. The jury awarded \$15,000 damages on each of plaintiff's claims. However, the trial court set aside one of the jury's verdicts on defendant's motion for judgment n.o.v.

The allegation of the complaint was that Burger Train Systems, Inc. was the owner of two patents, the first being a design patent for a drive-in restaurant, U.S. Letters Patent No. 211,010, and the second being a process or utility patent, U.S. Letters Patent No. 3,363,723. Defendant was the operator of a drive-in Dairy Queen restaurant. The process patent covered a movable carrier or cart which transported food from inside a drive-in restaurant to cars parked on the outside. Burger Train, Inc. had obtained both of the patents from the patentee by assignment.

Plaintiff-appellant had sought from the trial court on adjudication of infringement of both patents plus a permanent injunction enjoining Ballard from infringing and an award of money damages for the alleged infringements. Ballard's position was that the patents were invalid and that he had not infringed in any event. He further alleged that the patents were misused and thereby were unenforceable.

Following a jury trial on the issues thus presented, verdicts were returned in favor of plaintiff-appellant for the infringement of the two patents and the two \$15,000 jury verdicts were returned. Defendant moved for judgment notwithstanding the verdict or a new trial. The motions were denied as far as the award for infringement of the utility or process patent was concerned. The motion was granted as to the award for infringement of the design patent. It is this latter action of the trial court which has caused Burger Train, Inc. to appeal to this court and seek reversal. Ballard has cross-appealed from the judgment with respect to the infringement of the utility patent.

I.

The design patent was issued in 1968 to a man named Cunningham. It disclosed a roughly circular building having scalloped roofs. It also had a superstructure in the center-top of the building with a pole extending vertically from the superstructure together with a ball on top of the pole. It shows a number of tracks extending from the building to a car parking area in the shape of spokes of a wheel. Ballard's building also was roughly circular with a scalloped roof and with tracks extending from it as in the form of spokes of a wheel. It did not, however, have a superstructure in the center-top with a pole extending vertically from the superstructure and a ball on top of the pole.

The utility patent was also issued to Cunningham in 1968. The application filed in the Patent Office for a drive-in restaurant food serving system contained nine claims. Each of the last eight claims was dependent upon and referred to claim 1 which read:

In a drive-in restaurant system having a food preparation area defined by a surrounding wall, a food dispensing station remote from said preparation area, and a two-way communication system interconnecting the food preparation area with the food dispensing station, wherein the improvement comprises: track means extending between said food preparation area and said food dispensing station, said wall having a door opening surrounding the track means; a carrier means movable along the track means; means for moving said carrier means; and door means opening and closing the door opening in said wall by the movement of said carrier means therethrough.

It was thus a system for transporting food from the preparation area within the building through a door, opening and closing in the wall of the building, to food dispensing areas where automobiles were parked. This transportation was

accomplished by means of a carrier device moving along tracks.

The examiner in the Patent Office refused to approve the original claim 1 and the eight claims dependent upon it. Evidence at the trial showed that the examiner cited prior art in two earlier patents and suggested to the patent applicant's agent that claim 1 be revised by incorporating in it the specific descriptions of the track means, carrier means and door means contained, respectively, in original claims 2, 3 and 4. The patentee accepted the suggestion and so the substituted claim 1 which received approval consisted essentially of original claims 1 through 4.

Claim 1, as approved, described the track means as comprising "a pair of substantially U-shaped channel members having the legs thereof projecting horizontally toward each other and connected in spaced-apart parallel relation forming an upwardly open coextensive groove; and an angle member connected to the upper outer edge portion of each said channel member." The carrier means "comprises a horizontally disposed rectangular platform, a pair of axles transversely connected to said platform, a wheel journaled by the respective end of said axles and supported by said angle members, a food shielding hood mounted on said platform, and an inverted substantially U-shaped bow overlying said hood, said bow having its leg portions connected to the respective end portions of said platform." The third element, the door means, has "a pair of window sashes interconnected at one end portion in A-shaped relation, a hinge joining the apex formed by said window sashes to the upper limit of the wall opening for horizontal pivoting movement of the window sashes toward and away from the plane of the wall opening." The remaining five claims in the original application (claims 5-9) depend upon claim 1 as approved.

The Ballard structure operates in a manner similar to the patented system. His drive-in restaurant food distribution system includes a track extending from inside the

building through an opening in the building's wall to serving stations outside where customers are parked in their automobiles. Food travels in a carrier along the track. The carrier passes through a door opening in the wall to the customer.

One difference between Ballard's system and that of the patented device is that the Ballard track is a single iron channel with legs extending upward, whereas in the patented device the track consists of a pair of substantially U-shaped channel members with legs projecting horizontally toward each other and connected in space-apart parallel relation forming an upwardly open coextensive groove. There is also an angle member connected to the upper outer edge portion of the channel members in the patented device that is not present in Ballard's device. Thus, the track in Ballard's system is a simpler structure than the one in the patented device.

The carrier means in the Ballard system is supported as it moves along the track on rollers or wheels. Included in the rollers are circular flanges at their outer edges which extend along the outer edge of the channel irons (tracks). The flanges prevent the rollers and in turn the carrier from slipping from the track. In the patented device there are wheels that are journaled by the ends of the axles and are supported by angle members. elements not present in the Ballard device.

The carrier means in the Ballard system consists of a platform that includes a covering that shields the food. It does not include the inverted, substantially U-shaped bow that overlies the food covering or hood in the patented system.

Finally, the door means in the two systems differ. That used by Ballard consists of two physically separated doors that are hinged at their upper edges to the top surface of the door opening. The two doors are horizontally separated

by a distance which provides sufficient clearance for the carrier device as it passes through them on the track. The two doors are interconnected by a linkage system so that when one door is raised to allow the carrier to pass, the other door will be lowered. Thus, the door device ensures that outside elements do not penetrate the opening in the wall of the building. Each door also has a roller device on it which contacts the hood of the carrier as the latter approaches in order to cause the doors to be raised and lowered by the movement of the carrier through the opening in the wall.

The door means in the patented device consists of a pair of window sashes interconnected at the top-end in A-shaped relation. A hinge joins the apex formed by the two window sashes to the upper surface of the door opening in order to allow the window sashes to pivot as the carrier hood comes into contact with a cushioning device attached to the window sash that is in the closed (vertical) position. As the movement of the carrier forces that window sash to rotate upward the trailing window sash rotates downward to the closed position by virtue of the interconnected A-shaped relation of the sashes.

The window sashes or doors in the Ballard system are not connected in an A-shaped relation as in the patented device. As noted, at the top of the Ballard door structure, the sashes or doors are horizontally separated. A further difference is that the Ballard system includes two separate hinges upon which the doors rotate. On the other hand, the patented device has a single hinge that operates at the apex of the connected window sashes.

II.

On this appeal plaintiff-appellant would have us reverse that part of the judgment of the district court which involved vacating the jury verdict on the design patent infringement claim and dismissal of the claim. Accordingly, we must now consider whether the court erred in setting aside this verdict.

In examining the validity of the court's action, we must view the evidence, including inferences to be drawn from the basic evidence, in a light most favorable to the party opposing the motion. The motion for judgment n.o.v. is not to be granted unless all of the evidence points one way and is not susceptible to any reasonable inferences which sustain the position of the party against whom the motion is directed. See *Moore v. Shultz*, 491 F.2d 294, 298 (10th Cir. 1974). If, of course, the evidence and inferences examined in this way are such that reasonable persons may reach different conclusions, the granting of the motion n.o.v. is not permissible.

Another rule involved here is that applicable to design patent infringement. The test set down by the Supreme Court in this area is in *Gorham Mfg. Co. v. White*, 81 U.S. (14 Wall.), 511, 526 (1871). The Court said that the design patent is infringed by an infringing design if, in the eye of an ordinary observer who gives the degree of attention a person ordinarily gives, the two designs are substantially the same, and if the resemblance is such as to deceive an ordinary purchaser so as to induce him to purchase one thinking it to be another. See *Blumcraft of Pittsburgh v. U.S.*, 372 F.2d 1014, 1016 (Ct. Claims 1967).

The issue of patent infringement is generally factual in nature. See *McCullough Tool Co. v. Well Survey, Inc.*, 343 F.2d 381, 401 (10th Cir. 1965). This is true of both design patent and utility patent infringement. See *Schnadig Corp. v. Gaines Mfg. Co., Inc.*, 494 F.2d 383, 391 (6th Cir. 1974).

Here the jury found that Ballard's building infringed the plaintiff's design patent. In vacating this award the court determined that the primary reason that the design patent was granted was that it included the superstructure in the center of the roof as well as the standard and ball extending from that superstructure. In the absence of the superstructure, standard and ball, the court considered that there was nothing novel about the plaintiff's design which could distinguish it from prior art. Since the evidence showed that the defendant's building did not include the superstructure, standard and ball, the only aspect which gave the design distinction and made it patentable, no infringement of the design patent resulted.

The pertinent statutory definition is contained in 35 U.S.C. Section 171, which states that: "[w]hoever invents any new, original and ornamental design for an article of manufacture may obtain a patent therefor, subject to the conditions and requirements of this title."

In issuing the design patent for the drive-in restaurant building, three earlier reference patents which had employed the scalloped roof design were cited. Also cited were three earlier design illustrations in issues of the periodical, *Architectural Record*.

Defendant's expert witness, Mr. Fidler, testified as to the design revealed in two of the earlier patents cited by the Patent Office as well as in one of the illustrations found in the mentioned periodical. He called attention to the fact that each of the earlier designs included the scalloped roof similar to that revealed in the plaintiff's patent. He stated his conclusion that the single ornamental design feature shown in the plaintiff's patent which was different from those shown in the cited prior art was the prismatic superstructure, the pole (standard) and the ball on top of it. On cross-examination Fidler stated that he did not regard differences between the plaintiff's design and those shown in prior art in structures below the roof-line to be substan-

tial because those structures related to functional requirements and were not necessarily part of the design.

The trial court's judgment is such as to indicate that it accepted Mr. Fidler's testimony as to the difference between plaintiff's patented design and prior art, for it determined that the difference, that is the superstructure, pole and ball, was the only distinguishing feature capable of forming the basis for patentability. In view of this the court concluded that inasmuch as the defendant's building did not have the superstructure, pole and ball, there was no infringement as a matter of law.

But Burger Train maintains that the judgment thus given was erroneous because the question of infringement is essentially a question of fact which is not subject to being set aside as a matter of law; the question of the validity of the patent having been decided affirmatively by the jury, the finding of the jury as to the patentability of plaintiff's design was not subject to being scuttled, so to speak, at the hands of the court.

We disagree. In our view the trial court's judgment n.o.v. is not at variance with the jury's affirmative finding as to the validity of the patent. The trial court did not determine that the design patent was invalid. It merely ruled that the superstructure, the pole and ball were the only items which could have justified the issuance of the patent. Since the accused structure (defendant's building) used none of these, there could be no infringement. Moreover, there was no specific finding of the jury that other features of the plaintiff's design were properly patentable. Accordingly, the judge's ruling was a ruling of law. We do not see the verdict as a resolution of a factual dispute. In sum, then, the court's ruling is consistent with the evidence.

Practically none of the testimony was to the effect that features of the plaintiff's design other than the superstructure, pole and ball were patentable. As to the scalloped roof

in the plaintiff's design, the evidence was uncontested from witness Fidler that the scalloped roofs in the prior art were similar to the roofs in the plaintiff's design. Thus, the jury would not have been warranted in finding contrary to this. As to other parts of the structure such as the plaintiff's roof over the parking spaces and the understructures such as the tracks for the serving system and the call boxes, these are functional and not subject to a design patent. See Hopkins v. Waco Products, Inc., 205 F.2d 221, 223 (7th Cir. 1953). See also Sunbeam Lighting Co. v. Pacific Associated Lighting Inc., 328 F.2d 300, 301 (9th Cir. 1964). The roof extension was added not as part of the design, but rather to protect automobiles and the tracks from the rain. The understructures were simply components of the serving system.

We are cognizant that for the existence of patentability there must be a new, original and ornamental design and that the existence of such is in the province of the trier of the facts. We recognized this in *Moore v. Shultz, supra*. However, where as here it can be determined that the only feature which renders the design patentable is not on the allegedly infringing device, the question is not a dispute of fact; rather, it becomes a question of law.

Ziegler v. Phillips Petroleum Co., 483 F.2d 858 (5th Cir. 1973), cert. denied, 414 U.S. 1079 (1974), is in accord. The decision in that case was that the question of infringement is a factual one, whereby the district court's findings are to be reviewed by use of a clearly erroneous standard. The Fifth Circuit said that the district court must first, however, construe the patent and that this is a question of law, and where such construction is necessary, the question of infringement is not a question of fact. *Id.* at 867.

In our view, then, the trial court acted properly in construing the patent and in determining the aspect of it which justified its being patentable. Having done so, and having determined that there was no issue of fact as to the

part of the structure which was patentable, it properly set aside the verdict.

III.

Ballard has filed a cross-appeal in which he argues that the determination by the jury upheld by the trial court that he infringed the utility patent is erroneous because the doctrine of file wrapper estoppel precludes the patentee's reliance on the doctrine of equivalents in seeking to capture features which have been given up before the examiner. He points particularly to the broad claims as to "track means," "carrier means," and "door means" as the features which were waived during the prosecution of the Burger Train patent.

He further argues that the Ballard device does not embody many of the features found in the patent application as the same was approved and he asserts that file wrapper estoppel prevents Burger Train from invoking the doctrine of equivalents as a means of holding Ballard liable.

The famous Supreme Court decision in *Graham v. John Deere Co.*, 383 U.S. 1, 33 (1966), contains an exposition of the rule of file wrapper estoppel:

It is, of course, well settled that an invention is construed not only in light of the claims, but also with reference to the file wrapper or prosecution history in the Patent Office Claims as allowed must be read and interpreted with reference to rejected ones and to the state of the prior art; and claims that have been narrowed in order to obtain the issuance of a patent by distinguishing the prior art cannot be sustained to cover that which was previously eliminated from the patent. (Citations omitted.)

Our court in *McCullough Tool Co. v. Well Survey, Inc.*, 343 F.2d 381, 403 (1965), also expressed the file wrapper estoppel doctrine in the same terms when it said: "a patentee may not expand his allowed claims by interpretation

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to embrace features which he disclaimed in order to overcome objections by the Patent Office on the basis of prior art disclosures."

In a good many infringement cases the doctrine of file wrapper estoppel is at odds with the doctrine of equivalents. This latter doctrine requires that the accused structure employ each of the essential elements of the patent claim or its equivalent. See *Graver Tank & Mfg. Co. v. Linde Air Products*, 339 U.S. 605 (1950). Under this doctrine the questioned element is equivalent if it does the same work in substantially the same way so as to accomplish substantially the same result. See *McCullough Tool Co., supra*, at 401.

There is no assertion by Ballard that his device does not contain elements constituting equivalents to those found in the patented system. Indeed his expert witness, Fidler, acknowledged that the elements of the Ballard system performed substantially the same functions considered from the standpoint of the performance of the individual elements of the patented system. Ballard argues, however, that infringement is impossible because the plaintiff is estopped from asserting claims other than those embraced in the specific elements of the approved patent claims. He maintains that the undisputed evidence is that there is a lack of identity between the elements of the Ballard system and the elements of the system for which a patent was issued.

We disagree with Ballard's contention that the file wrapper estoppel doctrine does not tolerate the use of the doctrine of the equivalents; that it absolutely precludes it. As we view it, it only precludes recapturing what has been waived in the application process. See *Ziegler, supra*, at 70. Accordingly, the issue is whether the patent holder gave up the features or elements which characterized the accused structure. This determination is to be made from an examination of Patent Office proceedings including the prior art

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cited by the examiner. See the *John Deere* case at 32-5; *Exhibit Supply Co. v. Ace Patents Corp.*, 315 U.S. 126, 136 (1942); *Ziegler, supra*, at 877; *Lewis v. Avco Mfg. Corp.*, 228 F.2d 919, 927-28 (1956).

In the present case the original claims of the patent applicant were narrowed in the light of prior art which was suggested by the examiner. However, there was no formal amendment. It was brought about by combining claims 1-4 as a single claim 1 in the patent which was issued. By so doing the specific means contained in original claims 2-4 including track means, carrier means and door means became part of the patent as a modified claim 1.

One of the prior art patents is the Delucchi Patent, No. 2,405,294. This was discussed by expert witness Fidler. It covered a conveyor system from the central serving area on the second floor of a restaurant to the dispensing station at ground level. At this dispensing station there is a two-way microphone. The customer removes a food tray from the conveyor system by pulling open a door.

Fidler made a comparison and gave his opinion that the Delucchi Patent contains a track system consisting of a pair of rails and wheels having flanges. He found the wheels and flanges to be identical with those used in the defendant's device. He did not find the rails to be the same. Fidler's testimony also included a comparison of the Purdy Patent, No. 2,649,930 (1953), which disclosed a conveyor system having a pair of parallel rails with a cart or conveyor on the rails. The cart is moved back and forth by a wire attached to the cart and by a motor placed at one end of it. There is a telescoped box on the inside of the cart which can be opened when a customer takes food out. Fidler compares the wire on the Purdy device as corresponding to a wire employed on the defendant's device. He acknowledges that the motor on the plaintiff's patented system is in the center position as opposed to the end of the cart in the Purdy device.

[APPENDIX]

The patents compared by Fidler employ some but not all of the elements in the patent at bar. In the prior art patents there are parallel rails and wheels and a cart which operates on the rails together with a motor. There is not, however, anything comparable to the door means which is employed here. This consists of connected window sashes in an A-shaped relation rotating on a hinge. It is fundamental to the patent of the plaintiff-appellant. There was no prior art referenced in the proceedings before the Patent Office which required the patent holder to relinquish any aspect of the door element.

The effect of the proceedings before the Patent Office was to consolidate claims 1-4 into single claim 1. Thus it ruled out patenting of the individual means. At the same time, a result of the consolidation was a combination patent containing several means. The effect of the consolidation, then, was not to bring into play the doctrine of file wrapper estoppel. The individual elements were not eliminated directly or impliedly. Since such an action as was here taken by the Patent Office does not bar the use of the doctrine of equivalents, we conclude that it was permissible for the court to submit the doctrine of equivalents to the jury and for the jury to reach a verdict based on such an evaluation. From the testimony of Fidler it could be inferred that the various means employed by Ballard were substantially equivalent to the corresponding means in the patent in suit. But as we view it Fidler was contending that the patent in suit was anticipated by the Delucchi and the Purdy Patents, and thus the thrust of his testimony was that the Burger Train Patent was invalid. He did not support the theory urged here that the doctrine of equivalents was out.

In sum, the evidence justified submission of the doctrine of equivalents to the jury and the court was not required to vacate this verdict.

Accordingly, the judgment of the district court should be and the same is hereby affirmed.

APPENDIX B

IN THE UNITED STATES COURT OF APPEALS
FOR THE TENTH CIRCUIT

Nos. 75-1690 and 75-1691

BURGER TRAIN SYSTEMS, INC.,)
)
Plaintiff-Appellant,)
Cross-Appellee,)
vs.)
JOHN BALLARD, d/b/a)
BALLARD'S DAIRY QUEEN,)
)
Defendant-Appellee,)
Cross-Appellant.)

Appeal from the United States
District Court for the Western
District of Oklahoma

(D.C. No. 74-518-E)

PETITION FOR REHEARING

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FOR THE TENTH CIRCUIT

Nos. 75-1690 and 75-1691

BURGER TRAIN SYSTEMS, INC.,)
Plaintiff-Appellant,)
Cross-Appellee,) Appeal from the United
v.) States District Court
JOHN BALLARD, d/b/a) for the Western
BALLARD'S DAIRY QUEEN,) District of Oklahoma
Defendant-Appellee,) (D.C. No. 74-518-E)
Cross-Appellant.)

PETITION FOR REHEARING

I. INTRODUCTION

Petitioner, John Ballard, was the defendant below in an action for infringement of two United States Patents owned by respondent, Burger Train Systems, Inc. As to this Court's determination of validity and non-infringement of one of respondent's patents, namely United States Design Patent No. 211,010, petitioner has no quarrel. However, this Court misconstrued the applicable law with respect to its affirmation of the validity and infringement of the other patent-in-suit, namely United States Patent No. 3,363,723, which prompts petitioner to urge a review of the decision in this regard.

II. STATEMENT OF THE CASE

The patent in question, No. 3,363,723, hereinafter referred to as the utility patent, issued in 1968 on an application previously filed in the United States Patent and Trademark Office for a food dispensing system. As noted in

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the Opinion* at page 4 thereof, the original claims numbers 1-4 were rejected by the Examiner as unpatentable over the two prior art references. The applicant then consolidated claims 1-4 by an Examiner's amendment and resubmitted a new claim 1 containing all the limitations previously recited separately in claims 1-4.

This Court has misconstrued the consolidation of claims 1-4 into a single claim 1 as not being a proper case for the application of the doctrine of file wrapper estoppel. This Court erroneously concluded that the patent was entitled to application of the doctrine of equivalents and therefore found the necessary construction of the claim to affirm the infringement of said claim by the admittedly different structure utilized by petitioner.

III. ARGUMENT

"It is a rule of patent construction consistently observed that a claim in a patent as allowed must be read and interpreted with reference to claims that have been cancelled or rejected and the claims allowed cannot by construction be read to cover what was thus eliminated from the patent. *Shepard v. Carrigan*, 116 U.S. 593; *Sutter v. Robinson*, 119 U.S. 530; *Roemer v. Peddie*, 132 U.S. 313; *Phoenix Caster Co. v. Spiegel*, 133 U.S. 360; *Hubbell v. United States*, 179 U.S. 77; *Weber Electric Co. v. E.H. Freeman Electric Co.*, 256 U.S. 668; *I.T.S. Rubber Co. v. Essex Rubber Co.*, 272 U.S. 429, 443. The patentee may not by resort to the doctrine of equivalents, give to an allowed claim a scope which it might have had without the amendments, the cancellation of which amounts to a disclaimer. *Smith v. Magic City Club*, 282 U.S. 784, 790; *Weber Electric Co. v. E.H. Freeman Electric Co.*, *supra*, 677, 678; *I.T.S.*

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Rubber Co. v. Essex Rubber Co., *supra*, 444." *The Schriber-Schroth Co. v. The Cleveland Trust Co.*, 311 U.S. 211, 220, 221 (1940).

This Court has consistently applied the principle that a finding of file wrapper estoppel precludes an application of the doctrine of equivalents. *McCullough Tool Co. v. Well Surveys, Inc.*, 343 F.2d 381 (10th Cir., 1965), cert. den. 383 U.S. 933; *Eimco Corp. v. Peterson Filters & Engineering Co.*, 406 F.2d 431 (10th Cir., 1968).

The Court recognized this well-settled principle in its Opinion at page 13 thereof. However, the Court has misconstrued the effect of the consolidation of claim language. The consolidation did not merely "rule out patenting of the individual means" previously recited in the original claims 1-4. The important effect was that the broad language of original claim 1 was sacrificed and the amended claim 1 contained all the limitations previously set forth in dependent claims 2-4. The effect was a much narrower independent claim which recited specific mechanical limitations which must be met before infringement could be found.

The Court's position that the individual elements were not eliminated directly or impliedly by the consolidation is correct but the Court's conclusion that file wrapper estoppel does not necessarily follow therefrom is in error.

This Court erred in analyzing the proceedings in the United States Patent and Trademark Office and in its analysis of the prior art, particularly with respect to the "door means". The undisputed evidence was that the Examiner rejected original, broad claim 1 on the basis of prior art. The Patent Agent for the patentee testified:

"Q. All right. Do I understand correctly that the examiner who received this application and worked on it in the Patent Office rejected these Claims One, Two, Three and Four?

* See the Per Curiam Opinion filed in this case on April 6, 1977 in Nos. 75-1690 and 75-1691

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"A. Yes, sir.

"Q. And do I understand correctly from study of the file history that he rejected those claims because he did not consider them patentable over the prior patents he had available to him?

"A. Yes, sir.

"Q. And do I understand correctly that in response to that rejection you agreed to limit your original Claim One you had filed in the application by including all of the structure that was previously called for in these Claims Two, Three and Four?

"A. As I recall, it was Claim Four, particularly, that he requested to be included.

"Q. Well, if you will find a letter from the Patent Office there on behind the drawings that's dated August 9, 1967, where the examiner wrote out the amendment and what he actually did was add the limitations, the subject matter, in Claims Two, Three and Four and to Claims One to make one complete claim;—

"A. Uh-huh.

"Q. —is that correct?

"A. Yes.

"Q. And that amendment was made in order to obtain the allowance or patentability of that claim; isn't that correct?

"A. Yes." (Trial Transcript, pages 66, 67)

It makes no difference whether this Court agrees with the Examiner or not. If the patentee acquiesces in the rejection based on prior art (as he did here), then the claim is limited to the added structural detail. *Sears, Roebuck & Co. v. Jones*, 308 F.2d 705 (10th Cir., 1962); *McCullough Tool Co. v. Well Survey, Inc.*, 403 *supra*.

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In connection with the above quoted testimony, this Court should particularly note that the Examiner specifically referred to the limitations set forth in original claim 4 should be added to original claim 1 to obtain allowance. And for good reason. Original claim 4 spelled out the details of the broad "door means" originally called for in original claim 1.

The statement of this Court on page 14 of its Opinion that "There was no prior art referenced in the proceedings before the Patent Office which required the patent holder to relinquish any aspect of the door element.", preceded by the comment that the "door means" employed here "consists of connected window sashes in an A-shaped relation rotating on a hinge." begs the question. This Court, in its reasoning, assumed that the "door means" in original claim 1 was the window sashes connected in A-shaped relation; whereas no such limitation appeared in that claim. Original claim 1 merely called for "door means" without further structure. The Delucchi patent, No. 2,405,294, referred to in the Opinion at page 13 has a "door means" which would satisfy this limitation. Thus, although we submit it makes no difference as to whether we or this Court agree with the Examiner, we submit the Examiner was correct in requiring the limitations of the window sashes connected in A-shaped relation, etc. in order to distinguish over the prior art.

Similar remarks apply with respect to the broad "track means" called for in original claim 1.

The "track means" broadly claimed in original claim 1 was amended to require the structure of "a pair of substantially U-shaped channel members having the legs thereof projecting horizontally toward each other and connected in spaced-apart parallel relation forming an upwardly open co-extensive groove; and an angle member connected to the upper outer edge portion of each said channel member" and not the functional equivalent of the discarded "track means".

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The "carrier means" broadly claimed in original claim 1 was amended to require the structure which "comprises a horizontally disposed rectangular platform a pair of axles transversely connected to said platform, a wheel journaled by the respective end of said axles and supported by said angle members, a food shielding hood mounted on said platform, and an inverted substantially U-shaped bow overlying said hood, said bow having its leg portion connected to the respective end portions of said platform" and not the functional equivalent of the abandoned "carrier means".

Again, it is a well-settled rule of patent law that the claims allowed which were amended in response to a rejection on prior art to recite specific structure cannot by construction be read to cover what was thus eliminated from the patent in the broadly recited original claim. *The Schriber-Schroth Company v. The Cleveland Trust Company, supra; Sears, Roebuck & Co. v. Jones, supra; McCullough Tool Co. v. Well Survey, Inc., supra.*

Respectfully submitted,

s/ Jerry J. Dunlap
 Jerry J. Dunlap
 Dunlap, Codding & McCarthy
 510 Fidelity Plaza
 Oklahoma City, Oklahoma 73102
 405/239-7061
 ATTORNEY FOR JOHN BALLARD
 Plaintiff-Appellant Cross-Appellee

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing PETITION FOR REHEARING was mailed first class, postage prepaid to Robert Smith, 420 Hightower Building, Oklahoma City, Oklahoma 73102, on this 19th day of April, 1977.

s/ Jerry J. Dunlap

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Dunlap, Codding
& McCarthy
APR 30 1977

MARCH TERM—APRIL 28, 1977

Before The Honorable William J. Holloway, Jr., The Honorable Robert H. McWilliams, and The Honorable William E. Doyle, Circuit Judges

BURGER TRAIN SYSTEMS, INC.,)	No. 75-1690
Plaintiff-Appellant)	75-1691
and Cross-Appellee,)	
vs.)	
JOHN BALLARD d/b/a)	
BALLARD'S DAIRY QUEEN,)	
Defendant-Appellee)	
and Cross-Appellant.)	

This matter comes on for consideration of the defendant-appellee-cross-appellant's motion for rehearing filed April 20, 1977.

Upon consideration whereof, it is the order of the Court, as follows:

1. The motion for rehearing is denied.
2. The Court, upon consideration determined that by the addition of wording set forth below, the opinion can be clarified.
3. It is ordered that on page 14 of the opinion filed April 6, 1977, on line 21, following the word "the" and immediately preceding the word "door," these words be added: "mechanically opening," so that the corrected wording will be "the mechanically opening door" instead of "the door."

s/ Howard K. Phillips
 HOWARD K. PHILLIPS, Clerk

APPENDIX D

FILED
JUN 30 1975
REX B. HAWKS
CLERK, U. S. DISTRICT COURT
By Zeta M. Cowan
Deputy

**IN THE UNITED STATES DISTRICT COURT FOR THE
WESTERN DISTRICT OF OKLAHOMA**

BURGER TRAIN SYSTEMS, INC.,)
)
 Plaintiff,)
-vs-) No. CIV-74-518-E
)
JOHN BALLARD,)
d/b/a BALLARD'S DAIRY QUEEN,)
)
 Defendant.)

JOURNAL ENTRY

This matter comes on for trial before a six-man Jury this 23rd and 24th days of June, 1975.

The plaintiff appeared by its President, Mr. Edmund Hollie, and by its attorney of record, ROBERT B. SMITH; the defendant appeared in person and by his attorney, JERRY DUNLAP.

After hearing evidence and arguments of counsel, the Jury made the following specific findings, to-wit:

- (a) That Burger Train Systems, Inc. Design Patent No. 211,010 discloses a design which is new;
- (b) That Burger Train Systems, Inc. Design Patent No. 211,010 was not known, used by others, or described by patents issued to others;

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- (c) That a person having ordinary skill in the art would have been able to discern differences between the prior art and the claims in Burger Trains' Design Patent.
- (d) That Burger Train Systems, Inc. Utility Patent No. 3,363,723 discloses an invention which is new.
- (e) That Burger Train Systems, Inc. Utility Patent No. 3,363,723 was not known, used by others, or described by patents issued to others;
- (f) That a person having ordinary skill in the art would have been able to discern differences between the prior art and the claims in Burger Trains' Utility Patent.
- (g) That the defendant's restaurant building infringes plaintiff's Design Patent No. 211,010.
- (h) That the defendant's food serving system infringes plaintiff's Utility Patent No. 3,363,723.
- (i) That the defendant's infringement of the plaintiff's design patent was not done knowingly and wilfully.
- (j) That the defendant's infringement of the plaintiff's Utility Patent was not done knowingly and wilfully.

That after finding the foregoing facts in plaintiff's favor, the Jury entered its Verdict in the total sum of Thirty Thousand Dollars (\$30,000.00) for the plaintiff of which Fifteen Thousand (\$15,000.00) was entered for the infringement of the Design Patent No. 211,010, and Fifteen Thousand Dollars (\$15,000.00) was entered for the infringement of the Utility Patent No. 3,363,723.

The Court now, therefore, FINDS that the Plaintiff herein was the owner of Design Patent No. 211,010 and Utility Patent No. 3,363,723 and that the foregoing two

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patents were valid and in effect at the time of the alleged acts of infringement by the defendant herein.

The Court further FINDS that the defendant did infringe upon plaintiff's Design Patent No. 211,010 and Utility Patent No. 3,363,723.

IT IS THEREFORE ORDERED, ADJUDGED and DECREED by this Court that plaintiff have judgment against the defendant in the total sum of Thirty Thousand Dollars (\$30,000.00) of which Fifteen Thousand Dollars (\$15,000.00) is for the infringement of the Design Patent No. 211,010 and Fifteen Thousand Dollars (\$15,000.00) is for the infringement of the Utility Patent No. 3,363,723. Provided, however, that no execution issue for the collection of any of said sums until further order of this Court.

The Court further FINDS that by reason of the aforesaid infringement the plaintiff is entitled to a permanent injunction against the defendant, and

IT IS THEREFORE ORDERED, ADJUDGED and DECREED that the defendant is hereby permanently enjoined from operating or using his building and serving system known as Ballard's Dairy Queen, located in Pauls Valley, Oklahoma. Provided, however, that this part of this judgment is stayed until further order of this Court.

s/ Luther B. Eubanks
United States District Judge

ENTERED IN JUDGMENT DOCKET ON
JUNE 30, 1975
ADELAIDE HOLSTON, DEPUTY

APPENDIX E

FILED
AUG 8 1975
REX B. HAWKS
CLERK, U. S. DISTRICT COURT
By [illegible]
Deputy

**IN THE UNITED STATES DISTRICT COURT FOR THE
WESTERN DISTRICT OF OKLAHOMA**

BURGER TRAIN SYSTEMS, INC.,)
)
Plaintiff,)
vs.) No. CIV-74-518-E
)
JOHN BALLARD, d/b/a)
BALLARD'S DAIRY QUEEN,)
)
Defendant.)

O R D E R

The plaintiff herein is the assignee and owner of two patents, one of which is Design Patent No. 211,010, which covers the design of a restaurant building, and the other is a Utility Patent No. 3,363,723, which is a mechanical device for the delivery of food to cars at the drive-in restaurant covered by the design patent. Plaintiff contended and the jury found that defendant had infringed both of these patents, which jury by its general verdict awarded plaintiff \$15,000 by way of damages for each infringement.

Before the Court at the present time for disposition is the motion of defendant for judgment notwithstanding the verdict of the jury or alternatively for a new trial. This motion has been thoroughly briefed by both parties, which briefs the Court has carefully examined, and the Court has reviewed the testimony and the exhibits and concludes for the reasons hereinafter stated that the motion

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of defendant is not well taken as regards the Utility Patent No. 3,363,723, and the verdict of the jury allowing plaintiff to recover \$15,000 for the infringement of this patent by defendant is hereby upheld and the subsequent order of the Court by way of Journal Entry enjoining any further or future infringement of said patent is hereby declared to now be in full force and effect. The alternative motion for new trial regarding the utility patent is overruled.

Defendant strenuously urges that the doctrine of "file wrapper estoppel" controls herein and that there are several differences between the device of defendant and the patented device owned by plaintiff. The Court, however, finds that the jury was fully justified in its verdict in decreeing otherwise. It is true that there are some differences between the food delivery device utilized by defendant from the patented device of the plaintiff, but these differences are minor and the overall purpose of the two devices are identical and the two are sufficiently confusingly similar to constitute an infringement by defendant. Further, in connection with his argument in connection with the utility patent, defendant cites Section 14 of the Clayton Act and says that since the plaintiff requires a franchisee to utilize both the design patent and the utility patent before granting a franchise, and will terminate a franchise if both are not utilized, that neither patent is valid. However, there is no showing of any restraint of trade herein and the Court finds this argument is without merit.

With regard to the design patent, the Court has concluded that it should have directed a verdict in favor of defendant at the close of plaintiff's testimony and at the close of all of the evidence, and that the motion of defendant for judgment notwithstanding the verdict as regards plaintiff's allegation that defendant infringed upon Design Patent No. 211,010 should be and the same hereby is sustained. In reaching this conclusion I have carefully examined all of the exhibits introduced in evidence, together with the testimony, and find that the design patent was found

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to be patentable by the examiner primarily because of the superstructure in the center of the roof and the standard and ball projecting upward from said superstructure. The examiner made much of this in distinguishing this patent from prior art, and absent the superstructure and the ball standing above same there would be nothing novel about plaintiff's building that would distinguish it from prior art. I do not here decide that the patent of the plaintiff is invalid but simply say that the evidence clearly shows that defendant has not infringed the same because defendant's building, as is shown by pictures thereof, does not contain the superstructure above-mentioned with the ball supported by a rod standing above same. For this reason I find that judgment for the defendant notwithstanding the verdict of the jury should be entered insofar as the design patent is concerned. Accordingly, that part of the judgment entered herein on June 30, 1975, awarding plaintiff \$15,000 by way of damages for infringement of the Design Patent No. 211,010, together with the further order of the Court enjoining defendant from operating or using the alleged infringing building of defendant, is hereby vacated, set aside and held for naught. In all other respects the said Journal Entry of Judgment entered herein on the aforesaid date is to remain in full force and effect excepting the last sentence thereof which stayed the effectiveness of said judgment until further order of the Court. In other words, said judgment, as now modified by this order, is no longer stayed except as the same may be stayed by supersedeas bond as provided by law.

The Clerk of the Court is directed to mail a copy hereof to counsel of record.

DATED this 8th day of August, 1975.

s/ Luther B. Eubanks
United States District Judge
ENTERED IN JUDGMENT
DOCKET ON 8/8/75